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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION II 290 BROADWAY NEW YORK, NEW YORK 10007-1866

June 18, 2013

BY EMAIL

Dawn Monsen, Esq. K & L Gates LLP One Newark Center, Tenth Floor Newark, NJ 07102-5285

Re:

Lower Passaic River Study Area Portion of the Diamond Alkali Superfund Site Administrative Order on Consent, CERCLA Docket No. 02-2007-2009 Bill for Collection # 2721326S0033

Dear Dawn:

This will respond to your questions about the costs incurred by the U.S. Environmental Protection Agency ("EPA") to migrate data and information from PREmis to EQuIS and Sharepoint.

While we are providing the information you have requested, we remind the CPG that an objection to the Bill for Collection must be based on the presence of a mathematical error, or "excess costs as a direct result of an EPA action that was inconsistent with the NCP or outside the definition of Future Response Costs." A critique of costs based on EPA's contract management would not provide a basis to object to the Bill for Collection.

As previously explained to the CPG in my letter dated May 19, 2011, several years ago EPA, in consultation with USACE, decided that PREmis was outdated and insufficient for the project needs. EPA decided that CDM would manage the upgrade. CDM engaged in planning for this project in July to September, 2010. Work began in October 2010 and was mostly complete in December 2011, slightly longer than the estimated duration of one year. A few trailing tasks were completed and charged in the first three months of 2012.

CDM's original proposed budget was \$266,351. This amount was later modified to \$274,852. Of this budget, CDM ultimately billed a total of \$274,735. The reason for the modification was that the migration of the data was more complex and nuanced than originally anticipated. A number of databases had to be uploaded and in some cases, changes in formatting were required.

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Prior to the migration, EPA and USACE analyzed the databases that would need to be migrated and made a determination based on professional judgment that out of CDM's total budget, \$87,426 would be charged to the IAG for the Focused Feasibility (DW96941975) and \$87,426 would be charged to the IAG for the Newark Bay RI/FS oversight (DW96942023), and the balance would be billed to the IAG for the Lower Passaic River Study Area RI/FS oversight (DW96942125).

Of the CDM charges for the migration charged to IAG DW96942125, approximately four-fifths were charged in Bill for Collection 2721226S009, which included CDM invoices for the period of May 2010 to January 2011, and the remaining one fifth in Bill for Collection 2721326S0033, which includes CDM invoices for the period of February 2011 to April 2012.

As mentioned in the May 19, 2011 letter, LBG was also called upon to work with CDM to support the transition to EQuIS and Sharepoint. LBG's budget was \$19,367, of which LGB ultimately billed \$17,840. Bill for Collection 2721326S0033 includes LBG charges for this task of \$98.14.

For your information, I am enclosing LBG Budget Status and Forecast Report covering the period of January 30, 2011 to October 29, 2011. I sent this LBG report to the CPG last year because LBG invoices covering January through March 2011 fell within the period covered by Bill for Collection 2721226S009, so I may not have included it with the backup for Bill for Collection 2721326S0033. The technical support provided by LBG with respect to data management is mentioned in connection with Task WO 04 – Technical Support. As LBG's billing reflects, LBG's work on the transition was essentially complete by March 2011.

If you have other questions or would like to discuss this information, please do not hesitate to call me at 212-637-3136.

Sincerely,

Sarah P. Flanagan

Assistant Regional Counsel

Enclosure

cc: Stephanie Vaughn, EPA-ERRD